



CANADIAN OVERSEAS PETROLEUM LIMITED

## National Oil Company of Liberia Accepts In-Principle the Proposed ExxonMobil and Canadian Overseas Petroleum Joint Venture for Block LB-13

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**Calgary, Canada, April 18, 2012** – Canadian Overseas Petroleum Limited (“COPL” or “the Company”) (TSX-V: XOP) is pleased to announce that the National Oil Company of Liberia (“NOCAL”) has written to advise of its acceptance, in-principle, of the previously announced proposed joint venture arrangement in the Production Sharing Contract (“PSC”) governing Block LB-13 offshore Liberia.

As previously announced, it is proposed that immediately following completion of the assignment of the entire interest in LB-13 from Peppercoast Petroleum to a wholly-owned subsidiary of COPL, a subsidiary of ExxonMobil Corporation will acquire operatorship and a 70% working interest in LB-13 and COPL’s wholly owned subsidiary Canadian Overseas Petroleum (Bermuda) Limited (“COPL Bermuda”) will hold the remaining, non-operating, 30% working interest. Under the terms of the PSC, parties may only assign their interests to third parties whose “technical and financial reputation is well established”. NOCAL has written to Peppercoast advising that it accepts that the proposed joint venture between ExxonMobil and COPL satisfies in-principle the technical and financial competency requirements of the transfer provisions for the PSC subject to agreeing on proposed amendments to the PSC, and the requirement that ExxonMobil acquires its 70% interest immediately following Peppercoast’s assignment to COPL Bermuda.

The completion of the transactions are still subject to the satisfaction of other conditions but COPL is pleased to have reached this milestone and looks forward to working with NOCAL and ExxonMobil to satisfy the remaining conditions in the coming weeks.

### About the Company

COPL is an oil and gas exploration company focused in the offshore West African continental margin and the UK North Sea. COPL’s Common Shares are listed under the symbol “XOP” on the TSX Venture Exchange.

### Forward Looking Statements

This press release may contain forward-looking statements based on COPL’s current expectations and assumptions as to a number of factors including weather, regulatory approvals and general economic and industry conditions. If those expectations and assumptions prove to be incorrect, or factors change, then actual results could differ materially from the forward-looking statements contained in this press release.



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Generally, statements included in this press release that address activities, events or developments that COPL expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond COPL's control, including: the impact of general economic conditions in the areas in which COPL operates, civil unrest, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition there are risks and uncertainties associated with the oil and gas industry, therefore COPL's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, which COPL will derive therefrom. Such statements are based on assumptions made by COPL based on its experience perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances.

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